

STAND. COM. REP. NO. **3298**

Honolulu, Hawaii

APR 04 2014

RE: H.B. No. 2012
H.D. 2
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2012, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

begs leave to report as follows:

The purpose and intent of this measure is to regulate event ticket sales practices and prohibit ticket scalping to protect Hawaii consumers.

Specifically, this measure:

- (1) Prohibits the sale of event tickets for an amount greater than the price of the ticket plus taxes and a reasonable service charge;
- (2) Establishes the earliest time that a ticket sale for an event may occur;
- (3) Establishes disclosure requirements for the sale of tickets through an internet website by a person other than the primary ticket seller; and
- (4) Prohibits the use of illicit computer software to circumvent online ticket purchase processes.



Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs. The City and County of Honolulu Department of Enterprise Services and eBay, Inc. submitted written comments on this measure.

Your Committee finds that the resale of event tickets in excess of the amount paid to the primary ticket seller hurts consumers, venues, and performers while only benefitting ticket scalpers. Your Committee further finds that this measure will help to protect Hawaii consumers by providing tools for authorities to investigate and prosecute illegal and unfair ticket selling practices.

Your Committee has amended this measure by:

- (1) Clarifying that ticket sales shall not commence until the later of 8:00 a.m. Hawaiian standard time or before the primary ticket seller commences ticket sales;
- (2) Expanding the internet website disclosure requirements to include non-primary ticket seller internet websites that make direct ticket sales; and
- (3) Making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2012, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2012, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">HB 2012 HDZ SDI</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">LPN, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">3-28-14</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.	✓			
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam		✓		
12	1	0	0	
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.2em; font-family: cursive; margin-left: 50px;">Michelle N. Kidani</div>				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes